



TOMAX  
NEWS

**Issue 167**  
**12<sup>th</sup> July 2024**

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**PLUS:**



# MARKET SUMMARY

• So what is happening on the southbound trade-lanes into Australia and New Zealand? Where is the freight market headed? Those are the million dollar questions which nobody is really able to answer right now. Rates have stagnated, planned increases for July, so far, have not held. When the lines release rates for the second half of July next week it will provide some further insight into the current market and the demand for space. Predictions are that rates will hold for the rest of the month, and lines will try again for more increases in August. Rates are still likely to be higher than current levels once we hit the depths of the peak season, so bringing in cargo as

early as possible remains the best plan. Port congestion and vessel re-allocations may also increase transit times during the peak season and leaving shipments to the last minute may see extended delays in receiving cargo. Talk to your Tomax Key Account Manager for more information on the shipping industry.

## TARIFF CONCESSIONS GAZETTE (TC)

Tariff Concession Orders (TCOs) are an Australian Government revenue concession that exists where there are no known Australian manufacturers of goods that are substitutable for imported goods. The weekly Tomax Client Newsletter will contain a link to the latest Gazette document so that you can stay updated.

[CLICK TO VIEW LATEST GAZETTE](#)







# PORT OF MELBOURNE HITS SUSTAINABILITY MILESTONE

**P**ort of Melbourne has entered a significant agreement with Iberdrola Australia that marks a milestone in their sustainability efforts. Starting from July 1, 2024, this new power purchase agreement aims to supply the port with 60% of its electricity from renewable sources such as solar and wind generated within Victoria.

This initiative is part of the broader Australian Infrastructure Renewable Energy Program, stage three of which includes Port of Melbourne among seven major infrastructure assets committing to sustainable energy solutions. Led by IFM Investors and QIC, shareholders of Port of Melbourne, this \$700-million program began in 2022 with earlier stages involving entities like Sydney Airport and Adelaide Airport, while NSW Ports joined in stage one.

Upon full implementation across all assets, the program is expected to deliver 500 gigawatt-hours of renewable energy annually. Iberdrola and Squadron Energy are the new suppliers for stage three,

joining Origin Energy and Stanwell from previous stages. Notably, this consortium is pioneering in securing renewable energy rights beyond 2030.

Port of Melbourne's agreement with Iberdrola Australia will span until June 2031, reinforcing their commitment to sustainability. CEO Saul Cannon expressed optimism about exceeding the 60% milestone and achieving 100% renewable electricity for all business operations by June 2029 through additional Green Power agreements. The port is also transitioning its corporate vehicle fleet and marine survey vessels to electric or zero-emission fuel technologies.

This latest PPA follows Port of Melbourne's recent sustainability achievements, including securing a \$475-million sustainability linked loan, marking their continued dedication to environmental stewardship.

Williams, A. (2024). POM INKS POWER PURCHASE AGREEMENT WITH IBERDROLA AUSTRALIA. Retrieved from <https://www.thedcn.com.au/subscriber-content/pom-inks-power-purchase-agreement-with-iberdrola-australia/> on 11th July, 2024.



# RISE IN CARGO CRIME TARGETING TRUCK DRIVERS



**T**he Transported Asset Protection Association (TAPA) has outlined enhanced security measures aimed at safeguarding truck drivers amidst a significant rise in criminal attacks across the Europe, Middle East & Africa (EMEA) region. According to TAPA, criminal activities targeting truck drivers include intrusion, theft, deception, hijacking, illegal migrant entry, cybercrime and breaches in information security.

“In addition to the widely publicised shortages of truck drivers, particularly in Europe, there is a growing recognition within the driver community of the risks to their personal safety,” stated TAPA.

The association emphasised that protecting drivers must be a top priority for all stakeholders in the supply chain, noting criminals’ awareness of the vulnerabilities of trucks and drivers during transit or while parked.

Cargo theft in Europe alone amounts to an estimated €8.2 billion annually, with TAPA EMEA receiving an average of 140 reports daily. Trucks and trailers are involved in 80% of these incidents.

To mitigate risks, TAPA recommended minimising opportunities for crime. Drivers should adhere strictly to established

routes and only park in secure areas, as 10% of thefts occur in unsecured parking locations. They should consult with dispatchers before departure to identify safe parking options and report any suspicious activity promptly to law enforcement and their company.

TAPA also cautioned stakeholders about the “deception threat,” where criminal groups deceive brokers, carriers, shippers, and drivers into handing over shipments to illegitimate recipients. While comprising only 2% of cargo theft incidents in Europe, losses from such deception can be substantial, as demonstrated by a recent case where bogus drivers stole mobile phones worth over €1.5 million from Schiphol Airport.

Drivers were advised to verify all information with dispatchers, refrain from disclosing sensitive details, and exercise caution regarding the legitimacy of police encounters.

“With over 80% of recorded cargo thefts in EMEA involving criminal attacks on trucks, the risks to drivers have escalated significantly in recent years,” cautioned TAPA.

Goldstone, C. (2024). Truck driver safety ‘the prime objective’ as cargo crime hits new heights. Retrieved from <https://theloadstar.com/truck-driver-safety-the-prime-objective-as-cargo-crime-hits-new-heights/> on 12th July, 2024.



# HIGH CONTAINER VOLUMES SPARKS CONCERNS

**G**lobal demand for ocean freight container shipping has surged to unprecedented levels, surpassing even the peak demands seen during the COVID-19 pandemic, raising significant questions about the traditional peak season.

Recent data from Xeneta and Container Trade Statistics indicates that May 2024 saw a record 15.94 million TEU transported by ocean, exceeding the previous peak of 15.72 million TEU in May 2021. Emily Stausbøll, senior shipping analyst at Xeneta, noted that this surge in containerised goods transport coincides with significant challenges in capacity due to diversions around Africa amid Red Sea conflicts and severe port congestion across Asia and Europe.

The record-breaking demand has been primarily driven by Far East volumes, with Chinese exports hitting an all-time high of 6.2 million TEU in May, comprising 39% of global container trade for the month.

Stausbøll emphasised the concern among shippers regarding whether these record volumes preclude a traditional peak season slowdown. Factors such as ongoing consumer demand, preemptive

imports by cautious shippers, and potential tariff impacts on Chinese imports all contribute to the uncertainty.

Meanwhile, carriers are striving to meet the escalating demand. With the idle tonnage dropping to pandemic-era lows of 0.7%, Stausbøll commended the resilience of global shipping networks in managing such immense container volumes under challenging conditions.

Alphaliner highlighted a surge in vessel sale and purchase deals in the first half of the year, driven by carriers and non-operating owners reacting to the intense charter and freight markets. Approximately half a million TEU across 141 vessels changed hands during this period, averaging 23 ships per month compared to 15 per month in the second half of 2023.

These developments underscore the dynamic and rapidly evolving nature of the global container shipping industry amidst unprecedented demand and operational challenges.

Goldstone, C. (2024). New container volume high provokes major concerns over peak season. Retrieved from <https://theloadstar.com/new-container-volume-high-provokes-major-concerns-over-peak-season/> on 11th July 2024.



# ASIA-EUROPE PEAK SEASON CHALLENGES



**A**s the Red Sea crisis persists indefinitely, vessels traveling between Asia and Europe are likely to continue diverting around the Cape of Good Hope, presenting a new quandary for European importers and logistics providers: what is the final deadline for Christmas goods leaving Asia?

In recent months, industry discussions have revolved around the factors driving soaring spot rates, with a central question being whether an early peak season is unfolding. If so, as many European forwarders speculate, when can it be expected to conclude?

The succinct answer is that the Asia-Europe peak season will officially conclude two weeks earlier than usual, adding complexity to the timing of China's Golden Week holiday. Starting on October 1st, China observes a week-long shutdown, prompting a rush to clear cargo from its ports ahead of the holiday and potentially causing congestion upon resumption of operations.

"If shipments miss the last vessel departing Asia by the end of September, navigating peak season will be exceedingly challenging—this is when we anticipate a spike in air freight," cautioned one senior forwarder.

Most retailers aim to have all goods in their systems two weeks before Christmas, requiring shipping and transport from ports, and container de-stuffing to be completed no later than December 10th.

Given the current delays in haulage bookings—approximately seven days in the UK—this necessitates vessels

arriving around November 23rd-24th," the forwarder added.

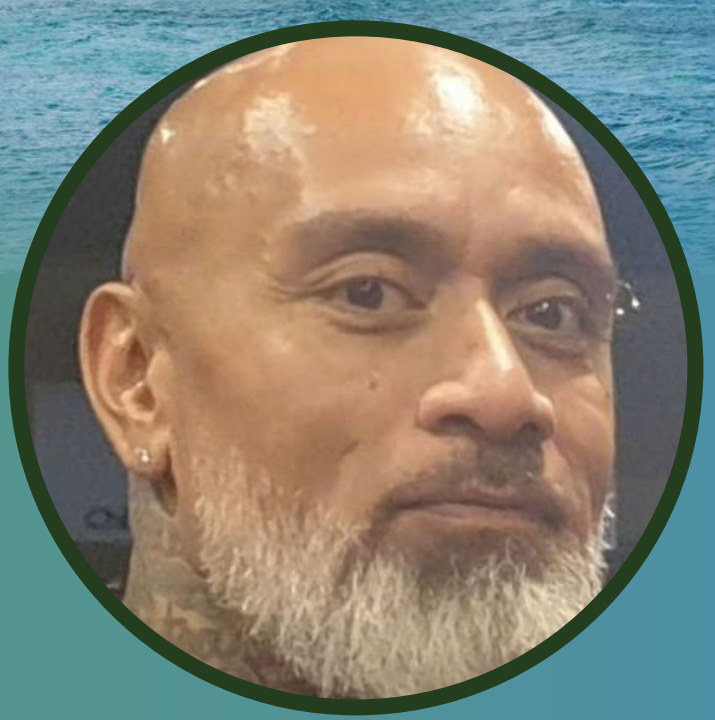
According to carrier schedules, the typical transit time from Shanghai to Felixstowe ranges from six to seven weeks, barring any delays en route. For instance, the 2M alliance's AE55/Griffin Sweeper service, departing Shanghai on October 5th, is scheduled to reach Felixstowe by November 16th, while departures from Shanghai on November 12th are slated for arrival on November 23rd—a sailing duration of 47 days.

Meanwhile, the Ocean Alliance's NEU1 and NEU6 services indicate transit times of 42-44 days between the same ports.

However, with global schedule reliability currently hovering around 50%, and vessels arriving an average of five days behind schedule, there is uncertainty whether cargo loaded during Golden Week in Shanghai would arrive in the UK in time for distribution and stocking retail shelves ahead of the Christmas shopping season.

Aware of this year's compressed peak season, some shippers are already taking proactive measures, according to insights. "I do believe we are experiencing an early peak season, likely extending into Golden Week. Based on discussions with customers, they are mindful of the current challenges and are forecasting strong orders at least until then, ensuring they avoid any risk of Christmas stock shortages," explained a forwarder.

Marle, G. (2024). A rush to get cargo on a slow boat from China in time for Christmas shopping. Retrieved from <https://theloadstar.com/a-rush-to-get-cargo-on-a-slow-boat-from-china-in-time-for-christmas-shopping/> on July 11th, 2024.



# STAFF SPOTLIGHT

## CHARLES ROD WAREHOUSE HAND TOMAX TRANSPORT VIC

**What is your role at Tomax?**

I am a Forklift Driver/Storeman/DJ!

**How do you spend your free time?**

I spend my free time with my family. I also enjoy playing my guitar and creating visual art whenever time permits - which is quite rare!

**What instantly puts a smile on your face?**

My grandchildren do!

**If you could switch places with anyone for a day, who would it be?**

Dwyane Johnson - kidding!! I'd love to switch places with Mr Beast. He is well known for giving back to the community and making a difference globally.

**A goal you wish to achieve?**

I wish to create a legacy that my grandchildren can be proud of.

**What is your go-to karaoke song or a song that makes you dance?**

I (fortunately for the general public's eyes and ears) cannot sing nor dance. God gave me the making-music gene, not the singing and dancing one - I just bob my head!

**Your next travel destination?**


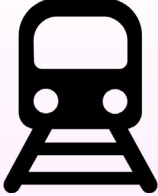
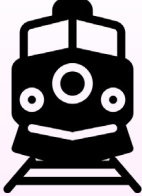


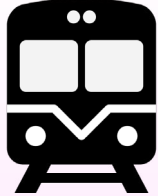
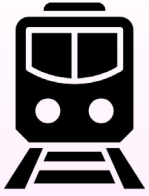


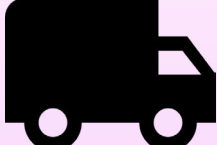
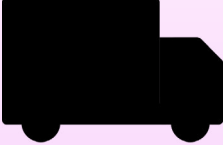










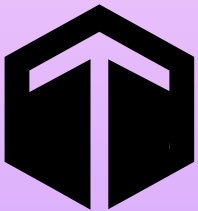
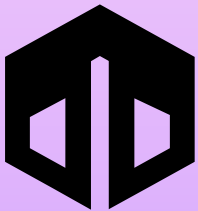


The Motherland - Samoa.



# MATCH THE SHADOW



See if you can match the shadow correctly?!

- 1)  A  B  C  D  E  F 
- 2)  A  B  C  D  E 
- 3)  A  B  C  D  E  F 
- 4)  A  B  C  D   
**TOMAX TOMAX TOMAX TOMAX TOMAX**

Answers: 1)E, 2)C, 3)B, 4)C



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